

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Carol M. Lott, IRA

Case Number: 03-06509

Name of the Respondents

Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney Inc.

Jack B. Grubman

Hearing Site: Philadelphia, Pennsylvania

Nature of the Dispute: Customer vs. Member and Associated Person

REPRESENTATION OF PARTIES

Claimant, Carol M. Lott, IRA, hereinafter referred to as "Claimant", was represented by Michael Brady Lynch, Esq., Hooper & Weiss, LLC, Orlando, Florida.

Respondents, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney Inc. ("Citigroup") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents", were represented by Mark L. Parmelee, Esq., Greenberg Traurig, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on September 2, 2003.

Amended Statement of Claim filed on July 20, 2004.

Claimant signed the Uniform Submission Agreement on July 17, 2003.

Statement of Answer filed by Respondents on August 30, 2004.

Respondent Grubman signed the Uniform Submission Agreement on December 3, 2003.

A representative of Respondent Citigroup executed the Uniform Submission Agreement on December 3, 2003.

CASE SUMMARY

Claimant asserted the following causes of action, among others: violation of Section 17(a) of the Securities Act of 1933, violation of the New Jersey Uniform Securities Law, violation of NASD Rule 2210(d)(1), breach of fiduciary duty, and negligence under the doctrine of *respondeat superior*. The causes of action relate to the purchase and sale of WorldCom stock.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Amended Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted, failure to satisfy elements of the claims, assumption of the risks, no proximate cause, ratification, waiver, contributory negligence, failure to mitigate, insufficient pleadings, and claims are barred by the applicable statutes of limitation and the doctrines of estoppel and laches.

RELIEF REQUESTED

Claimant in her Amended Statement of Claim requested:

Compensatory Damages	\$ 9,551.67
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested that the Statement of Claim be dismissed with prejudice and that attorneys' fees and costs be assessed against the Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

On July 14, 2005, the parties filed a joint request to proceed solely on the papers. On August 22, 2005, the Arbitrator granted the parties' request.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings and evidence submitted, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondents are denied in their entirety;
2. The parties shall bear their respective costs, including attorneys' fees, except as fees are specifically addressed below; and
3. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 75.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent Citigroup Global Markets, Inc. is a party.

Member surcharge	= \$ 325.00
Total Member Fees	= \$ 325.00

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$250.00	= \$ 250.00
Pre-hearing conference: October 13, 2004 1 session	

Fee for Decision on the Paper Record	= \$ 250.00
Total Forum Fees	= \$ 500.00

1. The Arbitrator has assessed \$500.00 of the forum fees to Respondent Citigroup.

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

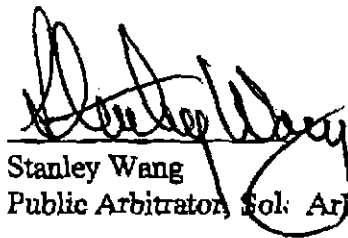
Initial Filing Fee	= \$ 75.00
Total Fees	= \$ 75.00
Less payments	= \$ 325.00
Refund due Claimant	= \$ 250.00

2. Respondent Citigroup is assessed and shall pay the following fees:

Member Fees	= \$ 325.00
Forum Fees	= \$ 500.00
Total Fees	= \$ 825.00
Less payments	= \$1,075.00
Refund Due Respondent Citigroup	= \$ 250.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

Sole Arbitrator's Signature



Stanley Wang
Public Arbitrator, Sole Arbitrator

12/5/05
Signature Date

12/06/05
Date of Service (For NASD Dispute Resolution office use only)